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ABSTRACT

Selected findings and policy implications from a statistical study of the amount and type of day care used by a national sample of parents are presented in this paper. For the analysis of hours used, the sample consisted of families (n=2,149) reporting use of at least one hour of care per week for whom complete data sets were available. For analysis of main method chosen, the sample was restricted to families (n=737) with at least one child in the 2 to 6 year age range, whose main method of care was being used at least 10 hours per week. Using multiple regression and discriminant function as the principal statistical methods to examine the relationship between use of day care and family characteristics, the following results were obtained. (1) No relationship was found between the family's annual income and the amount of care used (the family's choice of main method of care was found to be more related to values than to economics). (2) In choosing among types of home care, parents placed more emphasis on who provides the care than on the location of the home care. (3) In terms of the relationship between household structure and use of child care, there was no direct relationship between being married and amount of care used. (4) Age of the family's youngest child was related to hours of care used only when employment status was taken into account. (5) Cost of care was found to be highly related to both amount and type of care chosen. It was concluded that child care is an important service in the supporting of family functioning and that parent decision making on the amount and type of care used is a complex matter, subject to a range of household and individual characteristics. (Author/MP)

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PARENT CHOICE OF DAY CARE SERVICES

A Statistical Study of the Amount and Type of Care Used

by

John C. Moore, Jr.

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PARENT CHOICE OF DAY CARE SERVICES

John C. Moore, Jr.

This paper presents selected findings and policy implications from a statistical study of the amount and type of day care used by a national sample of parents. In the study, models were developed drawing upon an economic theory of household decision-making which considers both the time and money resources available to families. Multiple regression and discriminant function analysis were the principal statistical methods used to examine relationships between use of care and family characteristics.

For the analysis of hours used, the sample consisted of families reporting use of at least one hour of care per week and for whom complete data sets were available (n = 2,149). For the analysis of main method chosen, the sample was restricted only to families with at least one child in the two-to-six age range, with their main method of care being used at least ten hours per week (n = 737). The analysis was limited to families with at least one preschool child so that centers and nursery schools would be feasible alternatives to home arrangements. The hours limitation was imposed in order to focus the analysis on families of greater relevance to policy. The sample for both analyses included only female respondents. Less than one percent of all respondents were male (n = 40), one-third of whom used no child care from outside their immediate families.

The data base for the study was originally developed in 1975 by Unco, Inc., under contract to the Day Care Services Division of the Administration for Children, Youth and Families.

Amount and Type of Care

Whether or not a mother works is important to the hours of care used, but not for the type chosen. For four of the six types of care analyzed, the proportions of parents who used care for work were nearly identical, as shown in Table 1. In describing the need for care, therefore, employment statistics are valuable in showing the growth in need for full-time care, but not necessarily in pressing for a certain type of care.

Table 1. Percent Distribution of Reasons for Using Different Types of Care

	Main Method of Care					
Main Reason for Using Care	Own Home		Other Home		Group Care	
	Relative	Non-Rel	Relative	Non-Rel	Center	Nurs Sch
To work	70	64	64	86	65	50
Child related	5	1	10	4	17	36
To go out	10	9	12	3	2	3
Other	15	26	14	7	16	11

People using full-time care do not appear to be constrained by inadequate household income or the cost of care. Virtually no relationship was found between the family's annual income and the amount of care used. Also, after controlling for employment status (i.e., when analyzing separately those who work full-time, part-time, or are not employed), increases in hours of care used made no difference in whether or not care was paid for at all, though it was related to a decrease in the hourly cost.

In contrast, the family's choice of main method of care was found to be more related to values than to economics. Parent user

groups, defined according to type used, were found to be more strongly differentiated by whether care was used for a child-oriented reason, rather than whether it was used for working. User groups also differed in their child care preferences measured by race/ethnicity and level of formal education, even after controlling for ability to pay, price of care, and receipt of government support.[1]

The principal economic differentiation among user groups was whether or not care was paid for, this difference being associated almost entirely with the relative-nonrelative distinction among home users. While relatives were found to be a far less expensive source of child care, the rather modest differences in HH income indicate that parent use of relatives may be only secondarily motivated by differences in cost.

Another important finding was the lack of relationship between type of care and number of hours used. Among the six parent groups, the number of hours used per week ranged from a low of 26.5 for own home by nonrelative to 35.6 hours for center users.

An important conclusion to be drawn from the study is that hours of care used should be recognized as an indicator of need for child care. Most policy issues are debated on the basis of distinctions among users of different types of care, with hours of care considered as but one of several descriptive characteristics of the type chosen. Also, almost without exception, major policy research studies of family needs for care have not focused on hours of care used as an important dependent variable.

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[1]Reports from the original Unco study provide further evidence of the role of personal preferences, in which it was shown that parents emphasized value-laden provider characteristics as important factors in their selection of specific arrangements.

When considering the importance of child care to family functioning and impact on children, hours of care may well be more important than the type chosen. For a family using forty hours of care per week, regardless of type chosen, the care is certain to be more important to the family's functioning than would be the case if the family used care for only a few hours per week. The same may be said for children: full-time care of any type or mixture of types has a greater potential impact on children, as compared to part-time care.[2]

What can be inferred from the study's findings about the traditional approach to describing the need for child care services, which links maternal employment statistics to number of slots in licensed facilities? Being employed is clearly critical to the amount of care needed, but neither employment status nor hours of care used are principal determinants of a family's main method of care. Findings from the study suggest that particular support for center care—the preferred type for many traditional advocates—should be based on the need for child development services, as viewed from the parent's perspective. More generally, however, the overlaps observed betwen reason for using care and type chosen are clearly more important than the simplistic associations that link centers with work-related care, nursery schools with child-oriented services, and home care with casual babysitting needs.

Choice Among Types of Home Care

A major finding from this study is that relatedness of the provider is more important than the location of care, in distinguishing among parent user groups. This has important policy implications, because home day care is generally defined on the basis of location, with policy concern over relatedness generally being considered as an

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[2]As a measure of child care need, amount used has two technical advantages over type chosen: amount of care can be added across types, thus solving the problem of accounting for "multiple usage," and it is less subject to particular supply constraints.

afterthought. More often than not, use of relatives is simply disregarded on the basis that related caregivers are from within the user's extended family and thus beyond the purview of government involvement.

What are the principal differences between users of relatives versus unrelated providers? Without question, the major difference is whether or not care is paid for. Users of relatives are about half as likely to pay for the care and, among those who pay, the hourly cost is considerably less. Users of relatives tend to be less well-educated, have lower income, and be from a racial or ethnic minority group. Relatives were used by parents having a mixed schedule of times when care was needed, though there were no strong differences in the number of hours used or the reason why care was used.

Regarding location of care, the most important difference between users of their own home versus the provider's home is the number of children in the family. It is interesting to note that having a school-aged child was positively related to using care in the child's home, but presence of a child under three was not related to the location of care. The only other predictors of location of care were the presence of a nonspouse adult in the household and hourly cost of care, both of which were positively associated with using own home care.

The greater importance given to relatedness of the provider, as compared to location of care, suggests that parents place more emphasis on who provides the care than on the surroundings in which care is provided. This emphasis on the provider is distinctly different from the government's usual focus on location of care. While it is understandable that location is highly relevant to the logistics

of administering regulated and subsidized home care, the difference in perspective between parents and those concerned with policy is nevertheless significant.

Household Structure and Use of Child Care

In describing the increasing need for child care, advocates often cite the rising divorce rate or increases in number of children living in one-parent families. In this study, being married was not found to be directly related to the amount of care used. While married respondents were found to use fewer hours of care per week, no difference in amount of care used was found after controlling for employment status. Further confirmation of this is provided by another finding: namely, that the strong correlation of being single and working was fully explained by accounting for need for income.[3] Also, among two-parent families, there was almost no difference in amount of care used between families in which the husbands were employed versus unemployed. These findings indicate that the increase in numbers of single-parent families is only indirectly indicative of the need for child care, serving more appropriately as partial explanation for the increase in number of employed mothers with young children.

Age of youngest child in a family is frequently used as a predictor not only of need for child care, but also to describe the developmental stage of the family itself and the amount of "household production" that adults in a family must generate. In this study, age of the family's youngest child was not related to hours used, without first taking employment status into account. Among families where the mother works full-time, very high amounts of care are used before the youngest child reaches school-age, with a second substantial drop in hours occurring when the youngest child reaches the upper level of

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[3]Need for income was measured by the total family income from all sources other than the respondent herself.

elementary school (see Table 2). To describe need for care among young children, therefore, the statistics that show the rise in full-time labor force participation among mothers with children under six is a highly relevant statistical approach to take.

For advocates of school-age child care, it can be seen in Table 2 that families whose youngest is of school age use about the same amount of care as families whose youngest is under two. While schools obviously reduce the amount of child care needed, the rise in percent of mothers employed results in a continuing need for before-and-after school care.

Table 2. Percent Employed and Hours of Care Used Per Week Within Employment Status Categories by Age of Youngest Child

Age of Youngest Child	Percent Employed	Hours Used by Employment Status			
		All Groups	Full-Time	Part-Time	Not Emp
0-2	35	19	39	22	11
3-5	50	24	39	21	13
6-9	56	18	29	16	9
10-13	58	15	22	12	7

Household Income and Cost of Care

A principal finding from the study is that household income is not related to hours of care used, though income is somewhat related to type of care chosen. On the other hand, cost of care was found to be highly related to both amount and type of care. It appears that the variation in cost of different types of care (and arrangements within a type) can operate as a "safety valve" to make ends meet among families who have low incomes but need large amounts of care. When comparing

low- and high-income families who use large amounts of care, the low-income families paid exactly half as much per hour (including those who didn't pay at all).

While low-income families paid one-half the price of upper-income families, cost of care was found to be six times more important than household income, in distinguishing among users of different types of care. Some might interpret this finding as indicative that parents are always interested in the cheapest type of care, but a more positive interpretation would be that parents prefer nonmonetized care more for the qualitative differences involved than for the cost savings realized. In other words, families might prefer using relatives for reasons other than an inability to pay for the care.

In considering the relationship of household income to use of care, it is important to appreciate the differences that can result depending on who in the family earns the income. When "other" income in the household is low, mothers are very likely to work and pay for care, though the hourly cost will be relatively low due to the high number of hours involved. When other income is high, mothers are less likely to work. They use fewer hours of care and are less likely to pay for care, though they will tend to pay more per hour (among those who pay).

These complexities between income, use of care, and amount paid for care provide evidence of the inadequacy of total household income, by itself, as the critical determinant of who should be eligible for subsidized care. The meaning of a given income level is extremely different depending on whether the income was produced by one or two earners. By considering "other" income, as well as actual or potential wage-earning ability, subsidy policy would be more sensitive to the family's ability to pay.

Child Care as Support for Family Functioning

In recent years, it has become increasingly popular to refer to child care as a family support service. Based on the findings presented in this paper, it is concluded that the support relationship between child care and family functioning differs according to whether one considers the amount of care used or the main type chosen. Generally speaking, hours of care used is determined by the reason for using care. While the hours and schedule of work dictate much of the family's child care needs, choosing the type of care offers more leeway for exercising parental values as to the appropriate child care setting and provider characteristics.

It is concluded that child care is indeed an important service in support of family functioning. The relationships observed among hours used, employment status and need for income indicate that care of children by providers from outside the immediate family is an essential service in support of the family's economic functioning. Additionally, the association between type of care chosen and the use of care for child-oriented reasons, as well as the links with the parent's race/ethnicity and education, demonstrates that many parents regard child care as a supplement to their own child-rearing responsibilities.

An important conclusion to be drawn from the findings presented is that parent decision-making on the amount and type of care used is a complex matter, subject to a range of household and individual characteristics. While there are two or three characteristics that bear outstanding relationships to amount and type used, there are several other family circumstances that influence decisions as well. Furthermore, several of the characteristics examined in the study were found to be interrelated in their relationships to the use of services. Not only is the connection between type used and reason for use weakly supported, but also the traditional link between

socio-economic status and type of care used is not supported.

If child care is to be truly a support service, and if we are willing to recognize the complexity of influences that affect choices parents make, it becomes essential that parents have control over decisions related to the amount and type of care to be used (as well as choice of specific arrangement within type). This conclusion is based on assumptions that go beyond the scope of this study: that parents are in a better position than professionals to assess their own individual situation in terms of child care needs and that they are concerned for the well-being of themselves, their children, and their family unit as a whole. The conclusion is further substantiated under the assumption that parent conceptions as to the appropriateness of certain aspects of care may well be different than those of social welfare and early childhood professionals, conceptions which certainly vary across groups of parents defined along racial, cultural, and social class lines.

Advocates who claim to view child care as a family-support service must come to recognize that parent control over services used is critical to retaining a sense of personal integrity and self-determination over their families' lives. By delegating decision-making to parents, government therefore minimizes its intervention into family functioning and into relationships between parents and their children, an effect that should make government involvement in child care more politically palatable.

Delegating decisions to parents does not imply a "hands off" policy to government financial support for child care, but it does unravel the politically conservative beliefs that "parental authority and parental involvement with children" is necessarily pre-empted whenever government supports child care or that government involvement would necessarily be tantamount to committing the "vast moral authority

of the National Government to the side of communal approaches to child-rearing over against the family-centered approach."[4]

If the family-support rationale were to be the principal justification for government involvement in child care, then government's actual role should emphasize consumer information, maximizing program alternatives from which parents may choose, and providing financial support in ways that permit full parental choice, such as through tax credits or vouchers.

Recently, government involvement in child care is rationalized as the means for reducing the welfare burden, improving equal opportunity for women, and enhancing development of children as a "national resource." To a greater or lesser extent, these rationales are valid bases for public support of child care. However, the rationales lead to other conclusions as to what the role of government should be in actual practice.

A good example of the effects of competing rationales on the role of government is the need to regulate child care. Government regulation of child care is generally rationalized as a means to protect the rights and well-being of dependent children (state licensing) or for the advancement of child development (as in care purchased with Title XX money). Regardless of the legitimacy of these rationales, the point here is that regulation of care tends to restrict the range of choice available to parents, and thus is in danger of undermining the parent's sense of responsibility that comes with exercising freedom of choice.

It is important for child care advocates to see the conflict

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[4]Excerpted from Nixon's message vetoing the Comprehensive Child Development Amendment to the 1971 OEO bill. New York Times, December 10, 1971, as reprinted in P.A. Roby Child Care--Who Cares? New York: Basic Books, 1973, p. 77.

inherent in claiming that child care is a support service to parents, while at the same time supporting only regulated, "comprehensive" forms of care, thus limiting the range of choice available to parents.